



February 16, 2021

Ann E. Misback, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, D.C. 20551

Re: Public Comment on Proposed Rulemaking for Regulations Under the Community Reinvestment Act; Docket No. R-1723; RIN 7100-AF94

Ladies and Gentlemen:

The National Bankers Association (NBA) appreciates the opportunity to provide comments to the Federal Reserve Board on their proposal to modernize the regulations implementing the Community Reinvestment Act of 1977 ("CRA").

Since its founding in 1927, the National Bankers Association (NBA) has served as a voice for Black and other minority-owned banks (MDI Banks). Now, with membership that includes Hispanic-American, Asian-American, Native-American, and women-owned banks, our reach extends across the country. We believe strongly in advocating for not only our member banks, but also the communities they serve. Our members help low and moderate-income communities across the country, and they are committed to providing economic revitalization to families in those neighborhoods.

Federal regulators and Congress have recognized that MDIs play an important role in addressing the need for financial services in minority communities. Regulators have been charged by Congress to regulate in a way to promote and sustain MDIs. This is done as a way to help remedy past practices by the banking industry and the Federal government that have made it more difficult for minorities to achieve financial success. Yet CRA rules as currently written can sometimes be applied in a way that puts MDIs at a disadvantage compared to mainstream banks.

We agree with the need to modernize CRA regulations. The current regulations and guidance do not recognize the wide diversity in business practices of banks or the changes in the financial services industry that have occurred since the CRA was enacted in 1977. Specifically, we would like to offer our support for the position articulated by NBA member institution, East West Bank regarding your questions 64, 65 and 66 on the application of the CRA to minority depository institutions.

Sincerely,

A handwritten signature in blue ink that reads "Robert James II". The signature is stylized, with the first name "Robert" written in a cursive-like font, followed by "James" in a simpler, more legible font, and "II" at the end.

Robert James II
Carver State Bank
Chairman, National Bankers Association